

SAN MATEO



LOCAL AGENCY FORMATION COMMISSION

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Action Minutes

San Mateo Local Agency Formation Special Commission Meeting

May 15, 2024

Chair Martin called the Wednesday, May 15, 2024, Regular Meeting of the Local Agency Formation Commission (LAFCo) to order at 2:30 pm at the San Mateo County Board of Supervisors Chambers, 400 County Center, Redwood City, CA. Members of the public were also able to participate in the meeting remotely via Zoom.

1. Roll Call

Members Present: Kati Martin, Tygarjas Bigstycck, Virginia Chang-Kiraly, Harvey Rarback, Warren Slocum, Ann Draper, Ray Mueller

Members Absent: None

Staff Present: Rob Bartoli, Executive Officer

Timothy Fox, Legal Counsel

Diane Estipona, Clerk

2. Public Comment for Items Not on the Agenda

Chair Martin opened public comment.

Sergio Ramirez, General Manager of West Bay Sanitary District, spoke in favor of the District's solid waste franchise being reassigned to the County of San Mateo and stated the District will be submitting an application to LAFCo in the near future.

Greg Farris – Menlo Park resident, in favor of annexation of the Triangular region in West Menlo Park

Chair Martin closed public comment.

3. Consent Agenda

a) **Approval of Action Minutes: March 20, 2024**

b) **Consideration of LAFCo File No. 23-08 - Proposed Annexation of 10 Los Charros Lane, Portola Valley (APN: 079-060-120) to West Bay Sanitary District**

Commission Action: Commissioner Chang-Kiraly moved to approve the consent agenda and Commissioner Draper seconded the motion. Motion passed unanimously by roll call vote.

COMMISSIONERS: KATI MARTIN, CHAIR, SPECIAL DISTRICT ▪ RAY MUELLER, VICE CHAIR, COUNTY ▪ VIRGINIA CHANG-KIRALY, SPECIAL DISTRICT
▪ HARVEY RARBACK, CITY ▪ TYGARJAS BIGSTYCK, CITY ▪ WARREN SLOCUM, COUNTY ▪ ANN DRAPER, PUBLIC

ALTERNATES: CHRIS MICKELSEN, SPECIAL DISTRICT ▪ ANN SCHNEIDER, CITY ▪ JAMES O'NEILL, PUBLIC ▪ NOELIA CORZO, COUNTY

STAFF: ROB BARTOLI, EXECUTIVE OFFICER ▪ SOFIA RECALDE, MANAGEMENT ANALYST ▪ TIM FOX, LEGAL COUNSEL ▪
ANGELA MONTES, CLERK

(Ayes: Commissioners Martin, Bigstyck, Chang-Kiraly, Draper, Rarback, Slocum, Mueller; Noes: None)

4. Consideration of Final Municipal Service Review for the Broadmoor Police Protection District

Rob Bartoli, Executive Officer, presented the staff report for the item.

Mr. Bartoli spoke about the previous reports for the Broadmoor Police Protection District (BPPD). LAFCo staff has provided several updates to the Commission about the fiscal status of BPPD and the status of the implementation of the recommendations from the 2023 Special Study during the year. This MSR for BPPD encompasses these update, new data, and revised recommendations.

No action by LAFCo has been taken toward BPPD other than the publication to this and previous studies.

Mr. Bartoli noted that there were several updates between the draft and final versions of the MSR. These updates included information regarding BPPD entering into a contract with a firm to assist the District with developing a budget for this fiscal year, the creation of a long-term financial plan, and research and analysis for a potential property tax measure for the upcoming November 2024 election. LAFCo staff will continue to monitor these efforts and provide updates to the LAFCo Commission as needed. Clarification that currently, the cost per officer are similar to the other surrounding agencies.

There is also revised recommendation regarding exploring hiring or gaining additional staff, consultants, or volunteers to assist in performing human resource functions and administrative tasks, including budget support. Minor typographical corrections were included.

Mr. Bartoli noted that the staff report and MSR stated that the territory served by BPPD is not expected to experience significant population growth and therefore will not require a change in the agency's service needs, demands or service boundaries. Since the completion of this report, the County of San Mateo adopted their final Housing Element. This plan includes rezoning parcels in the unincorporated area of Colma; while there may be additional development in the area, the projected development is not anticipated to impact the demands or service boundaries of BPPD.

Commissioner Mueller asked about how much of the current budget relied on ERAF and if the effects by the state revised budget on ERAF has been reviewed. Commissioner Chang-Kiraly agreed that this is important to consider as the budget has decreased in FY 2023 and remained the same in FY 2023.

Commissioner Bigstycyk asked if there have been discussions with BPPD regarding the upgrade of their vehicles to EVs as there is a budget line item to replace vehicles as needed through annual budget process. Mr. Bartoli stated that the overall LAFCo recommendations included comments reviewing future capital costs of BPPD and how they will be accounted for.

Chair Martin closed public comment.

John Aguerre, resident of Broadmoor, spoke in favor of BPPD.

Andrea Hall spoke in favor of the LAFCo MSR and the recommendations in the report.

Chair Martin closed public comment.

Commissioner Draper stated that the key issue of transparency should be addressed by BPPD and keep public informed accurately. Commissioner Draper mentioned that a second letter by Paul Davis was not constructive towards addressing the issues of the District.

Commissioner Rarback mentioned that BPPD issues have been ongoing for years and no further solutions toward improving public safety for residents are made, therefore, he motioned for LAFCo staff to prepare a public hearing protest regarding the dissolution of BPPD.

Mr. Bartoli explained that the process for dissolution must include the initiation of a dissolution application, which will create a plan of service, and then a resolution for the Commission to vote on later.

Commissioner Mueller asked what the service delivery of BBPD is regarding what residents are currently receiving now and before the service cuts. Broadmoor Police Chief Connolly answered that BBPD has met with county consultant Mr. Corbett regarding a plan that leads toward fiscal solvency and reducing staff to nine which BPPD CPA will be working on. Mr. Bartoli commented that he will report on the availability of an audit report from Mr. Corbett to be provided for information purposes to the Commission.

Commissioner Slocum followed up on Commissioner Rarback's motion for a dissolution and asked Legal Counsel to outline the process.

Mr. Fox reminded the Commission that the recommendations will take form as a proposal for a reorganization which outlines the police services moving forward. However, the commission-initiated action will risk a protest lower threshold of ten percent.

Commissioner Slocum asked for a timeline regarding the procedural process. Mr. Bartoli answered that further discussions will be required with the County and it would take roughly six months from this meeting date to compile an application for Commission review.

Commissioner Draper asked what the consequences to proceeding with this process would be and how it affects other LAFCo projects.

The Commission discussed the process of dissolution and actions that could be taken by LAFCo. As part of this discussion, there was a consensus of Commission to request that LAFCo staff prepare a report discussing the dissolution process the Broadmoor Police Protection District. The Commission requested that this report be presented to the Commission at the July 17 LAFCo meeting.

James Kucharszky, BPPD Commissioner, spoke in favor of BPPD.

Commission Action: Commissioner Chang-Kiraly moved to approve the Final Municipal Service Review for the Broadmoor Police Protection District and to direct staff to prepare a report for the July 17, 2024, LAFCo meeting which would outline the process of an LAFCo-initiated dissolution if necessary for the Broadmoor Police Protection District. Commissioner Mueller seconded the motion. Motion passed unanimously by roll call vote. (Ayes: Commissioners Martin, Bigstycyk, Chang-Kiraly, Draper, Rarback, Slocum, Mueller; Noes: None)

5. Consideration of Final Municipal Service Review for the City of San Bruno

Mr. Bartoli presented updates to the final staff report.

San Mateo LAFCo received one comment during the comment period for the draft MSR. The comment related to water and sewer services to Capuchino High School. The draft MSR misstated that the City of San Bruno provides these services. The City of Millbrae provides water and sewer to the High School property.

Other edits to the MSR included the clarification that while the City's budget process is transparent and has highlighted many financial issues, the City is still facing a structural deficit. Additional recommendation suggested that the City prepare LAFCo contingency plans should the City lose the litigation regarding the allocation of sales tax. Minor typographical corrections were also noted.

As of 2020, the City of San Bruno is home to 43,908 residents and contains 16,622 housing units. The City's adopted Housing Element proposes to increase its housing stock by 22% over the next eight years.

LAFCo staff is not aware of any deficiencies in agency capacity to meet existing service needs for which the City of San Bruno does not have a plan in place to resolve. The City is aware that the CityNet and Stormwater Enterprise funds are operating at a deficit and is exploring ways to create new revenue so that it can continue delivering services.

Chair Martin opened and closed public comment. No Comments were received.

Commissioner Chang-Kiraly thanked LAFCo staff for detailed report.

Commission Action: Commissioner Chang-Kiraly moved to approve the Final Municipal Service Review for the City of San Bruno. Commissioner Draper seconded the motion. Motion passed unanimously by roll call vote. (Ayes: Commissioners Martin, Bigstycck, Chang-Kiraly, Draper, Rarback, Slocum, Mueller; Noes: None)

6. Consideration of Adoption of Final Work Program and Final LAFCo Budget for Fiscal Year 2024-2025

Mr. Bartoli presented the Final proposed budget is \$891,018 which is a total increase of \$39,679 to the appropriation budget. The one-third apportionment to member agencies is \$237,698.

Changes from the Draft Proposed FY 24-25 Budget to the Final Budget included a decrease of \$25,000 in estimated fund balance for FY23-24 due to County Attorney and legal notice costs and increase for FY-24-25 of \$12,000 in salary and benefits due to update projections from the County, increase of \$2,000 related to IT charges, \$3,000 increase for replacement of LAFCo laptops, \$50 for fingerprinting for the new Management Analyst position and an increase of \$20,000 for County Attorney charges.

Mr. Bartoli noted that staff conservatively estimated County Attorney's Office actual charges based on the complexity of the several anticipated applications and the potential of litigation. Some costs savings will be achieved due to the currently vacant Management Analyst position and the previously vacant Administrative Secretary position. Revenues included fund balance carry over, application fees and the intergovernmental revenue from the County, cities and special districts.

LAFCo staff has prepared a draft five-year MSR work plan. The workplan prioritizes agencies based upon the date of their last MSRs.

The proposed MSRs are on a regional basis, south county, central, north, and coast. Several of these agencies have not had an MSR in 10 or more years.

Chair Martin opened and closed public comment. No Comments were received.

Commissioner Rarback asked to clarify if staff resources will be used to fund the research of BPPD dissolution as it is not listed on the work plan. Mr. Bartoli confirmed that it will be incorporated into the work plan as needed in order to comply with the Commission's directive.

Commissioner Mueller – left the meeting at 4 PM.

Commission Action: Commissioner Chang-Kiraly moved to approve the adoption of Final Work Program and Final LAFCo Budget for Fiscal Year 2024-2025. Commissioner Rarback seconded the motion. Motion passed unanimously by roll call vote. (Ayes: Commissioners Martin, Bigstyk, Chang-Kiraly, Draper, Rarback, Slocum, Mueller; Noes: None)

7. Consideration of a Resolution Authorizing an Agreement with the County of San Mateo for Staffing, Legal Counsel, Office Space, and Supplies for Fiscal Year 2024-2025

Mr. Bartoli stated that LAFCo annually adopts a contract with the County of San Mateo for staffing and supportive services, legal counsel, office space and supplies. This included coordination between the LAFCo and County budgets. Billing services for the LAFCo 1/3 apportionment to the County, cities and special districts, and HR support. The contracted amount does not include reserve and audit amounts which explained why the \$786,294 is different in comparison to \$891,018.

Chair Martin opened and closed public comment. No Comments were received.

Commission Action: Commissioner Chang-Kiraly moved to approve the consideration of a Resolution Authorizing an Agreement with the County of San Mateo for Staffing, Legal Counsel, Office Space, and Supplies for Fiscal Year 2024-2025. Commissioner Rarback seconded the motion. Motion passed unanimously by roll call vote. (Ayes: Commissioners Martin, Bigstyk, Chang-Kiraly, Draper, Rarback, Slocum; Noes: None; Absent: Mueller)

8. Legislative and Policy Committee

a) Legislative Report – Information Only

Mr. Bartoli reported that CALAFCO is still tracking 13 bills which are mostly legislative items that are information only. The annual Omnibus bill and bill regarding indemnification which LAFCo has submitted a letter of support to the state were highlighted.

9. Commissioner/Staff Reports – Information Only

Chair Martin asked for a status update on EPASD litigation. Mr. Fox briefly stated that there is an upcoming case management conference that will review the submitted motion for preliminary injunction and the final motion will be reported to the Commission once received.

10. Adjournment

The meeting ended at 4:06 PM.